GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:4179
ANSWERED ON:14.12.2001
CLOSURE OF LOSS MAKING PSUS
UTTAMRAO NATHUJI DHIKALE

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether Union Government propose to close down those public sector industries which incurring losses and stop grants to such industries where cent percent utilization is not there;

(b) if so, the details in this regard; and

(c) the reason for taking such a decision?

Answer

THE MINISTER OF STATE (HI&PE) (DR. VALLABHBHAI KATHIRIA)

(a) to (c) The Government`s policy towards public sector as enunciated in the Budget Speech for the year 2000-01 is to :

- Restructure and revive potentially viable PSUs.
- Close down PSUs which can not be revived
- Bring down Government equity in all non-strategic PSUs to 26% or lower, if necessary; and
- Fully protect the interests of worker

As per this policy need based budgetary support is provided to potentially viable CPSUs. The details of budgetary support can be seen in expenditure budget of respective years, which is a published document.